



Town Council Meeting Minutes - Final

Mayor Jason Gray
Mayor Pro Tem Jason Bower
Councilmember Jess Loban
Councilmember James Townsend
Councilmember Kevin Bracken
Councilmember Caryn Johnson
Councilmember George Teal

Monday, March 30, 2020

5:00 PM

Virtual Town Council Meeting
Phone in to Council Meeting:
Phone Number (720) 650-7664
<http://CRgov.com/March30Council>
Meeting #: 961 207 695
Meeting password: castlerock

This meeting is open to the public and will be held in a fully virtual format in accordance with Town Council Meeting Special Procedures During Declared Disasters. This meeting will be hosted online at <http://CRgov.com/March30Council>, Meeting Code 961 207 695, password: castlerock. Or phone in by calling (720)650-7664, meeting code 961 207 695#. All Town Council Meetings are also streamed live online at www.CRgov.com/WatchCouncil, and are broadcast for Comcast Cable subscribers on Channel 22 (please note, there is a delay to the broadcast).

All times indicated on the agenda are approximate. In lieu of appearing in person, please visit www.CRgov.com/CouncilComments to sign up to speak to an item, and for related instructions.

Public Comments may also be submitted in writing online by 1:00 p.m. Monday, March 30, 2020, to be included in the public record, at www.CRgov.com/CouncilComments.

Mayor Gray opened the meeting at 5:00 pm.

INVOCATION

Mayor Gray provided the Invocation.

CALL TO ORDER / ROLL CALL

Mayor Gray called the meeting to order at 5:03 pm. Mayor Gray announced that the items are emergency in nature.

Mayor Gray asked for a motion to hold the emergency meeting.

Note that the Mayor was present, and the remaining members of Town Council were participating remotely. Due to complications from the audio, some votes could not be audibly heard but were recorded.

Present: 7 - Councilmember Loban, Councilmember Townsend, Councilmember Bracken, Mayor Pro Tem Bower, Councilmember Johnson, Mayor Gray, Councilmember Teal

Moved by Councilmember Teal, seconded by Councilmember Townsend, to hold the emergency Town Council meeting due to the effects of the COVID19 pandemic.. The motion passed by a vote of:

Yes: 7 - Loban, Townsend, Bracken, Bower, Johnson, Gray, Teal

PLEDGE OF ALLEGIANCE

COUNCIL COMMENTS

Councilmember Townsend thanked the HOA's for Sapphire Point and Terrain for their hard work, and Town staff.

Councilmember Bracken thanked everyone for their support during this time and the activities they are doing. We are all contributing in the best way we can. He conveyed his thoughts and prayers for those affected.

Councilmember Teal concurred.

Mayor Pro Tem Bower concurred with everyone and told everyone to be cool.

Mayor Gray thanked everyone for pulling together, town staff, Council and especially our community. It has been a rough couple of weeks. Treat each other well and respectfully, we will get through this, and appreciates everyone pulling together.

Councilmember Johnson confirmed that she could now be heard.

UNSCHEDULED PUBLIC APPEARANCES

Citizens that addressed Town Council:

Jennifer Steele - resident voiced her concern about 5G small cell towers being installed in Castle Rock. Steele is urging Town Council to help those in the community that want to fight this. She has reached out, but without the backing of the Town we are not going to get any results. There have been numerous Towns and Cities that have been able to halt and block installation of 5G towers in residential areas and referenced numerous peer review studies that show issues with 5G.

Mason Steele - resident father of two young children stated he is in opposition of 5G in residential areas and near schools. He asks for Council's help and advice and asked what residents can do.

Abbey Meraz - resident mother of four young children and stay at home mother is concerned with placing these near children and that there is a cumulative affect. She asked how to delay or stop the installation and to opt out to not be allowed in certain areas - residential, schools, and daycare centers.

www.CRgov.com/CouncilComments

TOWN MANAGER'S REPORT

David Corliss, Town Manager, provided an update on items staff is working on. Assistance to residents and small businesses is a top priority. Our public safety departments are having to change their methods of operation. Staff is working on all other basic services to find ways to comply with the appropriate orders, appropriate social distancing, and looking at expected revenue challenges we will be having. The first budget amendment will be heard at the next meeting. We are also supporting EDC, Chamber, downtown, and communicating services still

being provided by businesses.

No Town Attorney report.

ACCEPTANCE OF AGENDA

Moved by Councilmember Loban, seconded by Mayor Pro Tem Bower, to Approve the Agenda as presented. The motion passed by the following vote:

Yes: 7 - Loban, Townsend, Bracken, Bower, Johnson, Gray, Teal

ADVERTISED PUBLIC HEARINGS & DISCUSSION ACTION ITEMS

www.CRgov.com/CouncilComments

RES 2020-041 **Resolution to Approve Customer Assistance Programs through Castle Rock Water in Response to the COVID-19 Economic Hardships**

Mark Marlowe, Director of Castle Rock Water, provided an overview of the proposed program that will provide customer assistance in response to economic impacts on the community.

The first program offers a \$1,500 credit to water bills for three months to small businesses. Part of it will be paid back like a micro loan paying back after three months at 0% over a twelve month period. The balance would be a grant where the small business would not have to pay back. They must meet the definition from the EDC. This program will be on a first come first served basis.

The second program is for at risk residential customers with the goal to provide relief on water bills for three months in the amount of a \$300 credit on these accounts. Half would be paid back like a micro loan starting three months after the credit and paid back at 0% over twelve months. The balance would be similar to a grant and not have to be paid back. Parameters would be developed by Hope and Help and would be on a first come first served basis.

The proposed budget would be up to \$500,000 for small business assistance, and \$200,000 for at risk residential customers. Up to \$100,000 would additionally cover lost revenue from not charging disconnect fees, late fees, and non sufficient fund fees that have been waived to June 30, 2020.

Castle Rock Water Commission met last week and supports the program by general consensus. Staff supports as well.

No public comment.

Mayor Pro Tem Bower stated it is great and creative and expresses his sincere gratitude.

Moved by Councilmember Teal, seconded by Councilmember Johnson, that Resolution 2020-041 be Approved as presented. The motion passed by the following vote:

Yes: 7 - Loban, Townsend, Bracken, Bower, Johnson, Gray, Teal

[DIR 2020-008](#)

Economic Development Fund to Support Castle Rock Based Business Establishments Affected by COVID-19

David Corliss, Town Manager, has been talking about this program with the EDC. The Economic Development fund currently is used for our contribution to the Economic Development Council, the ACC expansion and a number of Economic Assistance programs.

Frank Gray, CEO of the Economic Development Council stated that our small businesses are hurting. They performed a rapid response survey with businesses with a general comment that their reserves will last them 4-6 weeks. They hold video conference calls with the business community as often as they can and have been discussing programs coming out. They want to ensure that our businesses get to the front of the line, as it is first come first serve. They are proposing to partner with Kiva to get money quickly into the hands of small businesses. The challenge of SBA and federal funds is that the demand is massive so the timeline is longer. This program would provide small bridge loans that are funded by the private and public sector cooperating together at 0% interest.

Businesses would put a campaign online with Kiva, tell about their business and their challenges. Kiva would do the underwriting and recommend qualification for a loan amount. EDC proposes to take \$50,000 from the Economic Development fund to invest in 50 businesses on a first come first serve basis. Additionally, they must meet EDC criteria (Castle Rock based business, in good standing with the Town, been in existence greater than one year, and brick and mortar location.) Kiva does not allow franchises. Businesses can get an endorsement from a trustee which shortens the time of the social underwriting. They ask for 25 people to give \$25 so businesses are beholden to the community. If they have a trustee, it is \$15 from 15 people. This is referred to as social underwriting. If approved, their campaign goes live around the globe. The EDC have already had interest in creating that fund that would match some of the funds. Once the applicant goes live, they can get private sector investments from anyone or within the business community. That business has six months before loan repayments are made back to community members, the Town, and the investors. They usually get a 90% payback on these loans because of the social underwriting component. It is an all or nothing program. If they don't reach their goal, then all that money flows back to all the investors through PayPal. Funds also go through PayPal when it is paid back.

Councilmember Loban stated it is outstanding, out of the box thinking and inquired about timing. Gray said once their campaign is online they could get it as fast as one week with underwriting being a 4-5 day process.

Mayor Gray stated this could be used like a bridge gap loan, using these funds and then pay them back once they get the SBA loan. This would be a 0% loan for three years, so may be cheapest money for them to use.

Councilmember Loban inquired if funds are paid back, would it free up the fees for

another business. Gray said it would.

Mayor Pro Tem Bower, stated he got his Kiva application in last Saturday and that underwriting may be longer than 4-5 days because of the volume of requests. Councilmember Bracken asked about the process. Gray feels we shouldn't restrict too much. A lot of this money would be going to inventory and payroll.

Councilmember Loban feels it is something we should do.

Gray stated if we could award 50 businesses at \$1,000 a piece or 25 at \$2,000 a piece.

Councilmember Townsend is in support.

Mayor Pro Tem Bower asked if we can do more as a Town. Bower is concerned that there could be a dramatic change to our community and affect residents if small businesses close. Our survey rates small town charm at the top of the list and that no one wants to see franchises in our downtown. He inquired about sales tax rebates to small businesses.

Councilmember Loban concurs with Bower that this could fundamentally transform what we have as a community. Loban feels we should find ways to help as many business as we can to help, that the SBA can take along time, and a lot of businesses cannot survive with a big new debt.

Mayor Pro Tem Bower said no one saw this coming, it was a hard stop. He commented that we take our family and guests to our small businesses, not franchises.

Mayor Gray agrees and that Castle Rock can be a leader in the front range, This is how we do it and show what a great community Castle Rock is and feels this is a great first step.

Frank Gray stated it is not just the government, they have to get buy in from the community and private investors. It is the community, government and private sector all behind it.

Mayor Pro Tem Bower stated we are not going to see disaster relief for months, and small businesses aren't going to make it that long.

Corliss feels if it is the will of the Council we could amplify the program and suggests \$200,000 out of the Economic Development fund to help the first 100 business with \$100,000 for grants that are not repaid, and the remaining \$100,000 for the loan program. Corliss cautioned against a sales tax refund as that would impact our Fire, Police, and other obligations. This would be part of the program with Kiva.

Councilmember Johnson agrees with Bower to keep our small businesses in town, especially those in the downtown.

Councilmember Loban is concerned with the overhead and staff time required for

the program.

Frank Gray stated they convened with the banking community and they want to be part of the source for matching funds. If we go to \$200,000 it may be tough to get that match.

Councilmember Bracken asked if there are other programs with available funds like the matching funds for primary employment we have through the economic development fund. Frank Gray stated those funds are in control of Council, and use taxes from commercial development funds that.

Councilmember Loban asked how much is available in that fund. Corliss stated they have budgeted \$1M this year, plus \$1M for the next phase of the ACC Campus. There are also additional funds budgeted for existing incentive agreements and service contract payments to the EDC. Corliss stated the water payment deferral was established to help give immediate relief.

Councilmember Loban feels there are other approaches we can put together.

Moved by Councilmember Loban, seconded by Councilmember Bracken, to direct Town staff to put together what other municipalities are doing and have a working session to discuss options with Council in addition to this program. The motion passed by the following vote:

Yes: 7 - Loban, Townsend, Bracken, Bower, Johnson, Gray, Teal

Mayor Pro Tem Bower stated that rent is due on the 1st. \$1,000 will not make a difference and we need to be real about numbers and that most small business owners are residents.

Councilmember Townsend is concerned and doesn't want to pass up good for perfect. At this point we should pass this for now, and look at other additional help in the future and that we should look at giving more.

Mayor Pro Tem Bower feels we should take out of general fund so we can send a clear message to future businesses, we are community that supports small businesses because it matters to our residents.

Councilmember Johnson asked if they could talk to their landlords and ask for a delay in paying rent.

Mayor Gray, stated that his landlord wants to work with them. Some are deferring, but some are not working with the businesses.

Frank Gray stated it varies by business and landlords and by banks.

Councilmember Bracken asked if we could identify those needing rent assistance. Frank Gray stated the pinch point may be different for each business and for many it is payroll and inventory. He would like to move forward, then work with Councilmember Loban and staff to put more programs in front of Council.

Mayor Pro Tem Bower brought up insurance claims for loss of income which are all being denied. Insurance companies include a virus clause in them since the

H1N1 virus.

Moved by Councilmember Loban, seconded by Councilmember Bracken, to increase the Town funding to this program from \$50,000 to \$200,000 from the Economic Development Fund. The motion passed by the following vote:

Yes: 5 - Townsend, Bracken, Bower, Gray, Teal

No: 2 - Loban, Johnson

Mayor Gray feels this helps the community.

Mayor Pro Tem Bower clarified that this comes out of the Economic Development Fund.

Councilmember Johnson clarified that they meet Kiva's qualifications. Frank Gray stated we can adjust the parameters that are from the EDC.

Frank Gray confirmed that the Town funds would be tied to the Kiva program.

Corliss confirmed Council direction to have information at a Study Session preceding the April 7 meeting and get a list of licensees to see what businesses we want to address, what funds we have available, what we can do to put money in the pockets of small businesses as soon as possible, what other communities are doing, and how we can expedite it.

Mayor Gray stated this shows our small businesses that we are there for them. It is no one's fault, this is something that happened to us.

Councilmember Bracken added that there are programs posted on Facebook pages for Castle Rock Talk, CRCO, EDC and the Chamber to help people that have been laid off.

Moved by Councilmember Teal, seconded by Councilmember Townsend, to Approve Town participation in the Proposed Program as amended. The motion passed by the following vote:

Yes: 7 - Loban, Townsend, Bracken, Bower, Johnson, Gray, Teal

ADDITIONAL UNSCHEDULED PUBLIC APPEARANCES

None.

ADJOURN

Mayor adjourned the meeting at 6:47 pm.

Submitted by:

Lisa Anderson, Town Clerk